

# **1. INTRODUCTION**

The Agricultural Sub-Committee of Community Futures Development Corporation contracted Insight Research, Salmon Arm, to prepare an agricultural strategy for the Shuswap. The first report submitted June 14, 1999, detailed an inventory of all agricultural products in the Shuswap according to the census data from Statistics Canada. This second phase of the project involved a consultation in the form of primary research among local farmers, producers and representatives from community groups. This report is a compilation of the results from the second phase and includes recommendations and next steps.

## **2. OBJECTIVES & METHODOLOGY**

The main purpose of the second phase of the agricultural strategy project was to obtain information from respondents on a wide range of agricultural issues and problems such as marketing and unutilized wastes, and to obtain input and reactions to value added food production, agri-tourism and herbal and medicinal plant growth potential for the Shuswap.

The primary data for this phase of the project was gathered through a series of focus group discussions and a combination of personal and telephone in-depth interviews. Large and small producers, with a representation from each facet of the agriculture community e.g. dairy, fruit, vegetable, poultry, etc., were interviewed in addition to professionals who are actively involved with agriculture either with the government or with an agricultural organization.

In total, three focus group discussions took place and they consisted of:

- Group 1: Livestock and feather producers with representatives from the swine, dairy, sheep, goat, poultry and cattle industries.
- Group 2: Specialty Crops including individuals who are involved with botanicals, nurseries, herbal/medicinal plants, floriculture, pumpkin seed, field crops and non-timber forest products.
- Group 3: Horticulture producers specializing in greenhouse production of vegetables and flowers, soft fruits and tree fruits.

Many respondents were very diversified in production and, as a result, provided an excellent overview of agriculture in the Shuswap.

A total of twenty-one farmers were interviewed in the three different focus groups. Originally a total of six focus groups were planned and due to a combination of factors such as the timing of this project (during the Summer), the lack of available time (due to poor weather and a busy work schedule in the summer) on the part of the farmers, and a non-existent list of names of farmers, Insight Research amalgamated the intended six focus groups into three groups.

The task of recruiting individuals in the agriculture industry to attend a focus group proved to be more difficult than we had originally anticipated. Part of the problem stemmed from the fact that farmers are usually not available to talk on the telephone during the day (unless it is raining) because they are outside working in the fields or attending farmers' markets. Therefore, they had to be contacted early in the morning (before 7:30 am) or late at night (after 10 pm) after they had completed their work.

As a result, Insight Research decided to conduct personal or telephone in-depth interviews among the remaining respondents. A total of thirty-six individual interviews were then conducted on a one-to-one basis among producers and professionals. These interviews usually took place at the farmer's or professional's home/work site and followed a discussion outline (see Appendix A). All interviews were tape recorded and transcribed. A list of names of those who were interviewed in the focus groups and the individual interviews is included in Appendix C.

Included in parts of this report are extracts and statistics from various articles, books, Internet searches and other secondary research sources. During this second phase of the project the resource library is in the process of being developed and catalogued.

**NOTE OF CAUTION:** The reader is urged to bear in mind the clearly qualitative nature of this phase of the project. These findings are drawn from a relatively small number of individuals who may or may not be typical in their views. While there is no obvious reason to suspect that these persons are not representative of their particular populations, the fact remains that these findings are not quantitative conclusions but rather the qualitative insights of the interviewers based on the response of a limited sample. These findings are not statistically valid unless quantified by more rigorous techniques of population sampling.

### **3. EXECUTIVE SUMMARY**

#### **✓ Background of Respondents**

Although there was a broad representation of all age categories among the respondents interviewed for this project, it was apparent that the overall aging of the farmers not only re-inforces findings from the Phase One results but also presents problems to the long term sustainability of agriculture in the Shuswap. There was a high educational level among the interviewees in general and many have access to or own computers but lack time to be able to utilize them fully.

#### **✓ Unutilized Waste Products**

As a follow-up to Phase One the results of these interviews revealed extensive unutilized waste products, many of which could prove to be valuable new products in the future. Although these wastes do not present a large problem to farmers at the present moment, they might in the near future as farms grow and become more successful. For example, wastes such as spent hens and agricultural products using plastic wrap have already been identified as a growing concern.

#### **✓ Current Problems and Issues**

There appear to be many diverse problems and issues that face farmers in the Shuswap. Marketing and promotion, economic climate, government rules and regulations, labour, geographic and environmental limitations are among the main obstacles.

#### **✓ Marketing of Agricultural Products**

Farmers were using a combination of marketing methods. There seemed to be a trend among some to move away from selling their products wholesale to direct marketing methods such as the farmers' markets and farm gate sales. The geographic location of the Shuswap and the smaller population of the area poses a different set of problems for marketing agricultural products directly to the consumer. A wide range of requests were made for marketing assistance from finding time to devote to marketing to learning how to form an effective co-operative.

#### **✓ Value Added Food Production**

One-third of respondents were already involved with value added food processing and quite a few were interested in becoming involved in the future. There was a fairly high level of awareness of the commercial kitchen but participants were unsure about details such as its' capabilities, cost, equipment, and limitations. It was consistently brought to our attention that farmers realized they could become more profitable by developing the value added aspect of agriculture, however, it appears that they need an extensive amount of support in order to engage in this activity. Respondents cited many barriers preventing them from utilizing the commercial kitchen; cost, lack of staff and/or time to do the processing, lack of professional advice re: packaging, nutrition, government regulations, marketing, and lack of specific equipment were some of the hurdles. Potential ways to develop the commercial kitchen are detailed in the report.

#### ✓ **Wishes for the Future of Agriculture in the Shuswap**

Interviewees provided a wealth of information on their needs in order to sustain their agricultural activity. Certain situations and conditions (e.g. geographic location, climate, economic and political factors, etc.) should be accurately evaluated in order to succeed, but the overall marketing of their products was identified as an area where they need general/overall assistance and education. This is also an area which this report will address.

#### ✓ **Suggested Agricultural Products/Service**

Many different suggested agricultural products and/or services were mentioned by respondents and these are listed in tables in the report. Further secondary research needs to be conducted in order to determine the viability of some of the ideas.

#### ✓ **Perspectives on the Organic Agriculture Industry**

The organic agriculture industry is a growing trend that has been gaining interest among the general public, and farms in our area are starting to pursue it. Some farmers realize they can receive more money for their products if they are grown organically, however, many farmers and professionals voiced their concern about the indiscriminate use of the term 'organic', which, in turn, has led to skepticism and the questioning about the credibility of all organically grown and produced products. The overall cost to become certified for a small producer is high and is preventing some of them from pursuing certification.

#### ✓ **Reactions to Three Concept Statements**

Of the three concept statements tested in this project, the extraction facility had the most appeal-- many of whom saw great potential in it. At the same time, the novel non-alcoholic beverage idea also received positive reactions and was perceived as a new product with potential. The organic processed milk product concept appealed to dairy farmers but the challenges of producing this type of product seemed to outweigh the strengths at the present time.

✓ **Herbal and Medicinal Plant Growth Potential**

Respondents felt there are opportunities in this area, however, the research into markets needs to be surveyed regularly to assess their viability as profitable ventures. At present, there are few growers of medicinal and herbal plants in the Shuswap and those growing herbs are experiencing problems with markets, competition, and partnering. Many herbs need to be processed and require expensive specialized equipment which the average grower is unable to finance.

✓ **Agri-Tourism Industry in the Shuswap**

Interviewees realize there is great potential in the agri-tourism industry but it requires changes for many of them to participate in it, such as additional labour, parking and facilities such as washrooms, solid structures such as buildings to house and sell their products, signage, etc. As the number of Country Roads participants grow and awareness of the importance of agri-tourism to the Shuswap's economy increases, more and more farmers will become involved in it.

## 4. RECOMMENDATIONS & NEXT STEPS

In order for agriculture in the Shuswap to continue to grow, stay healthy, and remain viable in the future it is important to recognize and help address the important needs of the farmers. The recommendations below help offer solutions to some of the problems encountered by the producers in the area and help pave the way to a more vibrant, successful, sustainable, and integrated industry in the Shuswap.

### UNUTILIZED WASTE PRODUCTS

☞ As a result of this research, there were a number of unutilized waste products generated on some of the farms which may hold potential value. Additional information needs to be sought about some of the wastes which the Agricultural Sub-Committee feels are worth pursuing. Recommendations for the next steps in this process are;

- Conduct secondary research and Internet searches for potential uses of unutilized products in the Shuswap such as whey
- Plans to build a whey processing plant by a company in Armstrong were cancelled. One next step would be to contact Reigher's to discover why the project was discontinued
- Contact professionals, associations, and the Ministry of Agriculture for current information on whey.

☞ Uses for sheepskins should be explored. Sheepskins are used in hospital and respite care, as apparel (mittens, boots, etc.), and other commercial uses such as car seat covers. Additionally, excess goat skins could be sold for drum skins.

- Since the cost of local processing is high an exploration of various labor sources needed to process the sheepskins should be conducted. These may include contributions from the Native Community, the unemployed, or mentally, physically or developmentally challenged individuals.

☞ An opportunity exists for gleaners to collect and possibly process the fruit from unpicked area fruit trees.

- A next step would be to establish more networking between people who have this imperfect produce and people who could use the produce
- Contact should be made with the organizers of the Victoria Tree Fruit Project, where an inventory of unpicked fruit trees is produced and made available to gleaners, to develop this idea for the Shuswap
- In accordance with the above mentioned tree fruit project, an inventory of unutilized fruit trees could be useful for people involved in Second Harvest or the local Food Bank
- Another project being implemented in Victoria, called Life Cycles, which matches up eager farmers with small to large plots of unused land, should also be reviewed for application to Shuswap farms
- Owners of tree fruits could also be educated through the Tree Fruit Project as to the importance of picking all fruit (healthy and diseased) to ensure a disease-free, bountiful crop the following year.

☞ Several product ideas which respondents mentioned in the interviews involved the use of “off grade” vegetables and fruit which are currently being discarded. These could be collected from the various vegetable and fruit growers and processed at the local commercial kitchen to produce value added agricultural food products. Alternately, farmers could come to the commercial kitchen to process their own “seconds.” For example, misshapen broccoli could be made into salads or cabbage and carrots made into slaw. Slightly imperfect fruit can be processed into fruit leather or juice.

- A program could be developed which would encourage people to utilize imperfect vegetables for home canning. This program could also include lifeskill building in areas such as budgeting, cooking, and where to obtain healthy foods.
- Farmers should be encouraged to sell seconds at the farm gate at a reduced price.

☞ Spent hens are being exported out of the Shuswap at a high cost to one egg producer. Research should be conducted regarding uses for spent hens in one of three ways:

- Conduct primary research with local chicken processors
- Explore the feasibility of converting the feathers into feather meal for fertilizer
- Explore the viability of using spent hens to make chicken stock.

☞ Potential uses for the unutilized grape seeds coming from the two local wineries should be researched.

- Contact should be made with affiliated associations and the Ministry of Agriculture to discover the current market for grape seed use
- Primary research can also be conducted to determine, among other items, what other wineries are doing with grape seed, and its storage needs.

☞ Agricultural plastic wrap does not appear to be a recyclable item. At the moment, there is no place equipped to take the plastic as it is too dirty. Don Bates, a BC Forage Specialist in Abbotsford, has a special interest in plastic waste and stated that in the last five to ten years use of round bale silage has increased significantly. He feels someone needs to take the plastic and make it useful. Next steps would be to;

- Conduct secondary research to discover uses of the plastic with wood residue to produce products such as lumber
- Research hemp as a natural product replacement to plastic binder twine.

☞ At present the heads and entrails of trout are currently being disposed of into dug out pits on one of the aquaculture farm we researched. Ways in which these wastes could be utilized in a value-added product such as fish fertilizer or fish stock should be further explored.

- It is suggested that secondary research be conducted to determine the feasibility and value of emulsifying the by-products into fish fertilizer and the potential market for fish stock
- It is additionally suggested that research be conducted to determine the potential of producing fertilizer by using the heads and entrails in conjunction with forest and/or human waste products.

- The nutraceutical value of these waste products should also be explored, for example, fish oil which is an important omega-6 fatty acid, used to combat high cholesterol, could be extracted from the wastes.

☞ Some of the respondents wished for a fruit press in order to extract juice from their fruit. The next step would be to explore the possible existence and availability of a mobile fruit press which would travel from farm to farm. This type of service could then be marketed for personal use or for use in conjunction with the commercial kitchen. Products which could be made from a fruit press could include; fruit leather, apple sauce, juice or ciders.

☞ Although considered a waste product, colostrum, has been found as an anti-aging agent in soaps and cosmetics. One sheep farmer who was researched is using sheep colostrum in a line of soaps. As a next step

- Secondary research should be conducted to explore other uses which can be ascribed to this waste product. Additionally, it is suggested that the commercial kitchen's capabilities in terms of soap production be explored.

## **PROBLEMS AND ISSUES**

☞ Some farmers would like to access a greenhouse to grow seedlings and are unable to finance this venture on their own. Ways to use community district land to house a multi partner-owned greenhouse should be explored. If the greenhouse was used in conjunction with courses offered by Okanagan University College, the greenhouse could be used to teach students about hydroponics, botany and agriculture.

☞ It is recommended that the idea of a community garden be explored. This could be used in conjunction with the seedling greenhouse. The community kitchen would be available to process the produce harvested.

☞ The potential for community district land to be used as an agricultural teaching and research facility should be explored. Hydroponics has the potential to increase yields on a small land base and could be integrated into the program.

☞ There was a need among some farmers for additional, inexpensive land on which to grow more crops. Research should be conducted into greenbelt land that

cannot be developed and could perhaps be farmed for a small monthly cost, perhaps leased for the cost of its taxes.

☞ To address the networking, communication and information needs of the local farmers, it is suggested that a Shuswap database website be developed. This would:

- provide links to agricultural news - both local and federal
  - offer contact information
  - present a database of who is growing what in the Shuswap
  - serve as a forum where farmers can communicate with each other via direct chat-lines or posts to topic boards.
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- It is additionally suggested that within this web page, each farmer will receive their own page where they can offer their products on-line. This commerce on-line can be relatively inexpensive --- even for a small farmer.
  - If enough farmers subscribe to this form of networking and sales, the use of a virtual elevator (an example of e-commerce), can be implemented, whereby producers and buyers can go on-line to discover where there is an excess (or lack) of one product. Distribution channels could also be made more efficient if all participants were using the same database of information.

☞ To address the issues of labour, it is recommended that:

- The local farmers, and community be more informed of and utilize the WWOOF (Willing Workers On Organic Farms) program, or any agricultural live/work exchange program that supports the added labor force being housed on the farm land in exchange for work. It is suggested that information regarding this or any other program be made more readily available to farmers.
- Secondary research should be conducted on the “Linking Land with Future Farmers” program in Victoria
- An agricultural training program be offered to mentally and physically disadvantaged individuals, welfare recipients, and the unemployed
- Government regulations should be re-visited and revised regarding housing on the property to accommodate seasonal labourers on a farm.

☞ It is important that the Standing Select Committee on agriculture be given our report on agriculture in the Shuswap. They are currently obtaining input concerning agriculture from communities around BC.

- One next step would be to determine who will be responsible for meeting with them and relaying the results from our project to the committee.

## **VALUE-ADDED AGRI-FOOD PROCESSING**

☞ One of the usage barriers of the commercial kitchen among local farmers interested in value added agri-food production is their lack of time and staff to process their produce. Investigate hiring someone or a team (of professionals, i.e. nutritionists or new-product developers) to work part-time or on contract to give professional advice and resource information to processors at the community kitchen. Types of advice they could offer would be: recipe information, marketing, packaging/labeling, or partnering for product development.

☞ Further research should be conducted to determine the need for additional, specialized equipment for the commercial kitchen such as a dehydrator. In addition, the possibility of renting this equipment should also be explored.

☞ Extra attention should be paid to the packaging and presentation of Shuswap/BC grown products. The website address for consumers to discover more information should be included on the packaging.

☞ To promote the use of the commercial kitchen, a series of hands-on workshops on agri-food processing should be offered. The audience could include anyone from the general public to farmers, schools, churches, and organizations interested in processing products which could be used in fundraising drives.

☞ One of the problems mentioned by respondents was the lack of time and labour to haul their produce to and from the commercial kitchen.

- It is suggested that a service to pick up directly from the farm, process the product, and deliver it back to the grower should be explored and, if viable, offered.

☞ It is recommended that the commercial kitchen be staffed by on-call, skilled processors, who could be trained in advance. Senior citizens could potentially be trainers. Possible workers could include the unemployed, mentally and physically challenged individuals, natives, women's institutes, church groups, or OUC students.

☞ A Continuing Education course could be offered through OUC which would utilize the Community Kitchen.

☞ Restaurants, chefs and caterers in the Shuswap should be personally contacted and advised of the commercial kitchen and offered a tour. They may be potential users of the kitchen for catering or special events.

☞ The viability of offering agricultural products to the public through the use of a mobile market/delivery van should be explored as a way to:

- increase awareness of Shuswap produce and value added products
- increase community awareness and support
- deliver Shuswap products directly to the consumer.

☞ Haney House is an ideal place to sell Shuswap grown and produced products as well as value added products. These products could be featured during special events.

☞ Anyone interested in growing herbal/medicinal plants in the area should be encouraged to use the BC Herb Growers Association as a resource.

☞ Some respondents were interested in renting freezer space for excess fruits and vegetables which could be processed at the commercial kitchen. The next step would be to conduct secondary research with Pilgrims Produce in Armstrong since they presently offer freezer rental space to local producers.

Some questions could include; what they charge for rental space, what products they store, and what the demand is for freezer space.

## **MARKETING AGRICULTURAL PRODUCTS**

**PROBLEM:** Farmers feel they need more support from local residents, retail store owners, the District of Salmon Arm, and the Columbia Shuswap Regional District in order to increase awareness of the products produced locally and to increase the traffic at the farmers' market.

**SOLUTION:** Educate the public as to the importance of buying local produce. Educate them as to the freshness and taste difference-- and the difference this makes to one's health. Let people know the importance of having competent, local farmers and the difficulty the farmers have when people chose to buy cheaper, foreign products instead.

Recommendations concerning education of the local residents and business owners include;

- Insert a weekly column in the local Shuswap newspaper introducing a different farmer each week and the various products which are available that week from farmers in the Shuswap
- Organize stands and displays at the local malls, Chambers of Commerce offices, and tourist centres showcasing local products and farms and hold an agricultural awareness week at least once a year
- Educate local business owners and retail store owners and staff about the variety of locally produced products and train them to be more pro-active in promoting these items when talking to their customers
- Hold a variety of agricultural festivals such as a garlic or pumpkin festival at Haney House. Encourage farmers to produce enhanced products e.g. round, golden pumpkins, trimmed and shaped Christmas trees, etc.
- Solicit restaurant support by asking them to purchase locally produced products and by noting on the menu the farm where the products are produced
- Include a "Buy Shuswap" float in the Fall Fair Parade
- Offer "fun" agricultural activities such as corn mazes, u-picks, and fairs to encourage public participation

- Develop a resource listing all the farmers and producers in the Shuswap interested in farm gate sales along with a map of their location and a current list of seasonal products that are available to the public. The Chambers of Commerce should have a copy of this promotional pamphlet and the staff should be made aware of the benefits of agri-tourism to the whole community.

☞ **PROBLEM:** Respondents stated that they wished for a Shuswap identification system for local products, similar to the “Buy BC” campaign. This would allow the public (including tourists) to visually identify those products produced in the Shuswap.

**SOLUTION:** Develop a “Buy Shuswap” logo and campaign that would be in the form of stickers with a “Buy Shuswap” web address and slogan and print advertising.

Recommendations to implement this solution include;

- Investigate the funding which is available from the government for this type of regional promotion
- Select the most likely organization to pursue funding for the Shuswap identification program. The Farmers’ Market executive or the agriculture sub-committee of Community Futures or Salmon Arm Economic Development Corporation are suggested
- Create a “Buy Shuswap” mascot or agricultural theme such as a tractor pulling a cart filled with vegetables. This is a marketing trend for creating a brand which includes spokespeople often in the form of comical characters
- Write articles in the agriculture column in the local papers which outline differences between locally produced agricultural products and those produced in the US/Asia, Mexico, etc. and the benefits of buying local products

☞ **PROBLEM:** Participants and some professionals felt that there needed to be a review of all the farmers’ markets in the Shuswap in order to increase traffic and make them more available to all consumers, including those who are working.

**SOLUTION:** Meet with the executive members from the various farmers’ markets in order to obtain input into improving the marketing strategy and reviewing its hours of operation and location.

Additional recommendations include;

- Change one of the market days to Saturday and extend the hours of operation on the weekdays to include the lunch hour to accommodate working people
- Provide a shuttle bus from senior's homes to the farmers market
- Encourage more promotion for farmers' markets as many residents do not know that it exists
- Erect a permanent structure or shelter in a central location
- Provide a location where there is shade, tables for people to sit, and have refreshments available for sale
- Offer washroom facilities with hand washing and a water fountain
- Hold the farmers' market in conjunction with other events such as entertainment, live music, and art shows in order to attract more people and increase exposure
- Construct permanent signs or billboards with times and dates of operation and location
- Solicit financial help from the District of Salmon Arm for promotion, advertising, new building, etc.

☞ **PROBLEM:** Some farmers have noted that the mountains on all sides of the Shuswap limits the size of farm parcels. This restricts a farmer's ability to compete with large scale operations located in the US/Asia and Canada's prairie farms.

**SOLUTION:** Develop and implement an unused land database system within the Shuswap. Maximizing use of existing land would allow for timely crops and niche markets to be fully developed.

Recommendations to resolve the problem are:

- Explore ways to maximize use of land using modern technologies such as hydroponics and the Grow-Tech 2000 which is a portable farm one thousand times as efficient than conventional open field farming (see Appendix D for a recent article from the Globe and Mail)
- Research the Victoria based program, "Land For Future Farmers."

☞ **PROBLEM:** Farmers do not seem to have ways of communicating with other farmers because they lead independent lives and are busy working on the farm.

**SOLUTION:** Encourage them to work co-operatively rather than competitively through networking and cross promotion among local farms and also with local businesses.

Recommendations include;

- Local farmers can work together to offer combined products. One example of this can be found in the local gift basket which offers Gort's cheese and wine from the local wineries
- To cross-promote other farms/wineries/ranches, space should be provided at the farm site for the posting of neighbouring farms' marketing material. This marketing material creates an informal agri-tourism circuit whose promotional materials can include posters or literature with maps
- Offer networking opportunities such as seminars, workshops or mediated round table discussions held during the winter for farmers so they could meet with each other and share specific problems and solutions about agriculture. Social events should also be considered e.g. a breakfast meetings
- Develop ways in which farmers can partner together to create new product ideas, pool resources such as equipment and knowledge, share labour and distribution/marketing efforts
- Encourage farmers to partner with other sectors that are complementary to their businesses such as fruit farmers working with processors, bottlers and shippers
- Develop a local "Buy Shuswap" calendar-- each month has a picture of a cornucopia of seasonal products with a legend of items including pictures and contact information of where to find them.

☞ **PROBLEM:** Farmers need marketing education to learn about marketing techniques and to improve their ability to sell their products. As more farmers engage in value added agri-food processing these marketing skills will be invaluable.

**SOLUTION:** Offer a range of marketing classes in the Shuswap for farmers and ensure that they are aware of them.

Additional recommendations are:

- Encourage farmers to attend marketing information seminars, industry conferences, and tradeshow
- Offer marketing classes in the Winter when farmers are not as busy-- perhaps located at the Shuswap Business Development Centre
- Videotape the classes and offer the videotape to farmers who can't attend the classes
- Ensure that classes identify weaknesses and matching strengths regarding packaging, logistics, market research, and cash flow and other business principles
- Include information on the use of the Internet as a marketing tool and distribution channel (e-commerce)

☞ **PROBLEM:** Respondents felt that effective cost efficient distribution was a roadblock to sustaining their businesses.


**SOLUTION:** Create a Shuswap marketing and distribution co-operative (similar to the Interior Vegetable Marketing Agency or the Okanagan North Fruit Grower's Co-operative). This co-op can be a central collection/buying entity that groups products thus shipping them out cheaper. The co-op also has the buying power to import needed equipment and/or products at lower, wholesale prices -- passing the savings back to the farmers. This idea could be expanded to include a central retail outlet with locally produced products.

Recommendations to solve this problem include;

- Conduct secondary research on new generation co-ops presently being formed in the Okanagan
- Conduct secondary research on existing marketing co-ops such as the Interior Vegetable Marketing Agency, etc. (this is a co-op direct marketing agency that

picks up products directly from farms and sells the produce directly on their behalf)

- Offer seminars on the advantages of agricultural co-ops and enlist speakers from successful co-ops to come and present to interested farmers
- Solicit potential members for the co-op (a total of at least five members is required for a co-op in BC)
- Use experienced market managers to operate the retail outlet. This would alleviate the farmers from spending their time selling their products instead of farming
- Ensure that all products are well labelled with the “Buy Shuswap” logo to create awareness and promote a loyal customer base
- Include all types of agricultural products from herbs and flowers to honey, fish and pork and cheese products at the retail outlet
- Merge the retail outlet with the new permanent farmers’ market facility and give consumers the ability to buy local products from a central location during non-farmers’ market days and hours
- Create a virtual counterpart (on-line) for the retail outlet and include gift baskets.

 **PROBLEM:** Shuswap farmers do not have an on-line presence (Internet website) and respondents reacted favourably to the idea of sharing a website with other farmers and selling their products over the Internet.

**SOLUTION:** Design and implement a Shuswap agricultural website.

Recommendations include;

- Promote local farmers by providing information on the Shuswap and information about each farm, its location and products grown/produced
- Make the site dynamic in order to encourage repeat visitation and new user visits
- Make it an e-commerce site allowing local products to be bought on-line
- Market the commercial kitchen on this site
- Include all value added products processed at the commercial kitchen on this site
- Conduct secondary research to obtain information on the following questions:
  - 1) How can this assist and educate the public/users?
  - 2) How can this benefit farmers?
  - 3) How can this be a dynamic entity?

- 4) What will it cost and how can this venture make money?
- 5) How can the website be advertised and promoted?
- 6) How is the web venture inclusive of computer illiterate farmers?

☞ **PROBLEM:** Some farmers expressed a need for additional freezing capabilities as a collecting and holding area to group items for shipping or processing at a later date (during winter months).

**SOLUTION:** Research the possibilities of building a central Shuswap freezer which would allow farmers to store their produce or fruit safely. This would be similar in concept to the rental storage units available to the public.

Recommendations to solve this problem:

- Conduct secondary research and Internet searches among existing freezer rental facilities
- Offer the centralized freezing area at the commercial kitchen
- Offer assistance from professionals at the commercial kitchen who specialize in food processing
- Tie the central freezer to the Shuswap website showing availability, pricing, instructions, and sign-up

☞ It is suggested that farmers be encouraged to develop roadside stands at their farms which would promote public awareness and make their produce and products more available to the public on a regular basis.

- Issues which have to be addressed in order to enable farmers to pursue this marketing strategy include; signage regulations, government regulations, easy access, parking, and a clean facility that is inviting and attractive to the consumer
- Farms could set up their own honour-based system of collecting money where monies are dropped into an inaccessible container and the food is then picked up by the consumer. This marketing strategy does not require additional employees or that the farmer be present at all times at the roadside stand.

☞ The nutraceutical industry has been gaining interest among farmers as more tests results are publicized to show that these products are beneficial to people's health. This is particularly significant as baby boomers are aging and are concerned about their health.

- It is important that farmers be educated about the benefits and potential profits in the nutraceutical area. Common fruits and vegetables such as tomatoes, broccoli, and cauliflower which are produced in the Shuswap are considered to be powerful nutritional products. This fact should be publicized to consumers
- Educational seminars on the nutraceutical industry and “smart nutrients” should be offered locally to the public and farmers
- Stress the use of local unutilized wastes such as whey and grape seeds for nutraceutical products such as whey protein powder and grape seed oil.

☞ Create a restaurant or catering service that primarily uses Shuswap grown products in order to increase awareness of agriculture in the Shuswap.

☞ Sell Shuswap products in gift baskets to be sold to hospitals, hotels/motels, executive suites, ambassadors, etc. Catering services can put one basket per table at their events as an elegant party addition. Sell the baskets on the Internet as well -- people can specify what date they want it to be delivered (birthdays, wedding presents, etc.) Baskets can be sold door-to-door by van or sold out of local producers’ stores such as Gort’s Gouda, Larch Hills Winery, etc. This is an excellent way to raise public awareness and sell the “Buy Shuswap” products -- a new direct marketing strategy and an excellent cross promotional method.

- This idea could be expanded to include floral arrangements and wreaths.

## AGRI TOURISM

☞ There needs to be more organization within the farm community and increased recognition of the possible benefits of agri-tourism. Workshops and seminars could be offered to farmers about agri-tourism as a way to add value to their businesses. It is also important to:

- Develop an awareness among farmers in the Shuswap about the scope of agri-tourism as a resource and revenue generator
- Explore the development of farm stays by developing a list of interested farms
- The Chamber of Commerce could conduct a check of the facilities and have a recommendation service set up at the Chamber where interested parties or individuals could book farm stays through the Chamber of Commerce office
- Farm stays could be combined with eco-tourism for a greater benefit to the Shuswap--- for example, the First Nations Interpretive Centre, Grebe Festival, etc.

☞ Encourage agri-tourism via a Shuswap wide treasure hunt -- either real and/or on-line. Consumers could ride a bus or drive their own cars. A prize incentive at the end of the hunt could be given to those who gather all items on the hunt or they could be eligible for a larger prize such as vacation or car. Tie the treasure hunt into the natural beauty of the area, the quality of the products, the friendliness of the people, and a festival.

☞ Organize specialized bus tours for the Japanese tourists, gourmet chefs/restaurant or commercial buyers (bring people here from cities on the Coast). Tourists would receive food samples along the way. Owners or managers of restaurants could receive free tours. At the end of the tour participants would receive a compendium guide detailing what they have visited (phone numbers, web URL's, etc.) and a basket to take home filled with local products.

## 6. DETAILED FINDINGS

### A. BACKGROUND OF RESPONDENTS

Through personal interviews with thirty-seven producers and interaction with twenty-one focus group participants, the following was noted:

- thirteen mentioned they grew up with agriculture
- education was extensive, either through courses, seminars or conferences from the Ministry of Agriculture or Associations with the formal training at post-secondary institutions, University of Guelph, U.B.C., B.C.I.T., etc. in the areas of
  - Biology
  - Agriculture
  - Chemistry
  - Aquaculture
  - Horticulture
  - Bio-Dynamics.

In terms of the number of acres respondents owned, the range included from one acre to over two hundred and fifty acres. The following reveals the number of respondents who owned specific number of acres:

- one to five acres: 5 respondents
- five to ten acres: 4 respondents
- ten to fifty acres: 7 respondents
- fifty to one hundred acres: 2 respondents
- one hundred to two hundred and fifty acres: 7 respondents
- over two hundred and fifty acres: 2 respondents.

The age of the respondents varied from twenty-five years to over sixty years old with a greater number falling into the forty to fifty year old category. The number of respondents and their ages were:

- 25 to 30 years old: 1 respondent
- 30 to 40 years old: 3 respondents
- 40 to 50 years old: 13 respondents
- 50 to 60 years old: 7 respondents
- 60+ years: 1 respondent.

Number of years participants lived in the Shuswap were:

- 1 to 5 years: 4 respondents
- 5 to 10 years: 7 respondents
- 10 to 20 years: 6 respondents
- 20 to 30 years: 2 respondents
- 30 to 40 years: 2 respondents
- 40+ years: 7 respondents.

The number of years these farmers were involved in agriculture were:

- 1 to 5 years: 4 respondents
- 5 to 10 years: 4 respondents
- 10 to 20 years: 10 respondents
- 20 to 30 years: 7 respondents
- 30 to 40 years: 8 respondents
- 40+ years: 2 respondents.

## **B. INVENTORY OF UNUTILIZED WASTE PRODUCTS**

During the course of each interview and also in each of the three focus groups, respondents were asked whether they had or were aware of any unutilized waste products in the Shuswap. From their answers the following table has been developed.





## **C. CURRENT PROBLEMS AND ISSUES FACING FARMERS**

As part of the warm-up at the beginning of each interview respondents were asked about the current problems and issues they were facing as farmers. We did not anticipate that there would be the plethora of problems and issues relayed to us by the participants. Although this area of questioning was not included as one of the deliverables of the report, we felt it was important to include because it seems to set the path for the remainder of the report.

One of the agrologists we interviewed at the Ministry of Agriculture stated that:

*" Farming isn't easy and there are many ventures and risks involved. All growers can improve and I am concerned about keeping the Shuswap and all of BC a viable agriculture community. I wish I could see what is going on here ten years from now and I wish we could lead the agriculture industry towards sustainability."*

This respondent continued to state that the government, specifically the Select Standing Committee on Agriculture, was working on a strategic plan for agriculture this year and he hoped this would make a positive difference to the industry. The committee is asking the public to pre-book presentation time for October 26th in Kamloops or Vernon on October 27th to give their input on agricultural issues.

### **i) Marketing Problems and Issues**

In total, there were one hundred and thirty-five problems and issues mentioned by the farmers interviewed. Marketing was cited as a problem in over one-quarter of the responses and every industry within agriculture seemed to have its own set of marketing problems they were trying to solve. Some of the key marketing issues included:

- competition from the world market (Asia, Argentina, Mexico, etc.), the US, and other existing markets is steep and tend to heavily influence the price of locally produced agricultural products
- market base is located in an economically depressed area with a higher percentage of retired people, many of whom have time to shop for the best price and tend to buy on price alone
- market for products such as apples, feed for cattle and cherries has been severely depressed

*“ There is no market for feed for cattle unless it is a disaster year. Barns are full of hay.”*

*“ The BC Tree fruit Marketing organization is disbanding.”*

- advertising and media exposure of agricultural products and businesses to the local people has been almost non-existent and needs to be increased
- support from local citizens also needs to be addressed in order to increase the traffic at the farmers’ market thereby increasing sales for the farmers who sell their products there
- lack of promotion of the agricultural community as an asset to the community
- lack of co-operatives to help with marketing agricultural products
- lack of overall marketing expertise.

## **ii) Economic Problems**

For at least one-quarter of the respondents economic problems were a major factor with some mentioning the fact that they could not make a living farming and a second income was needed to support the farm. To them, farming was a lifestyle choice. Additional economic issues were:

- farms in the Shuswap have difficulty competing with the larger, more profitable US farms
- a lack of adequate capital and assets (especially among younger farmers and/or children of existing farmers) for financing and building an agricultural business

*“ It is limiting for the young ones to take over as they don’t have the necessary finances.”*

- lack of money to expand and develop new product ideas
- cost of shipping products outside the Shuswap area is expensive
- price of land in the Shuswap is high.

## **iii) Communication Problems**

For some of the respondents the lack of communication between the agriculture community and the public, farmers, and government, was perceived as a problem. There was also a strong desire among some of the producers for more networking and communication among farmers themselves. These communication

problems were thought to be the cause of the following;

- lack of public awareness of locally produced agriculture products and locations to purchase them including the local Salmon Arm farmers' market
- lack of public awareness about the agriculture industry
- lack of respect from consumers and other farmers
- lack of collaboration and support from fellow farmers.

A professional, who was also a farmer, felt that education and communication in general needed to be increased between farmers and consumers.

*“ I wish for more farmer to farmer communication and more farmer to consumer education. A whole lot more talk all over and a whole lot more comprehension on the consumer side of what it takes to grow food. What it is that people like me actually do to produce food and the value of that labour, not strictly in terms of putting food into people's mouths but in terms of the social value and the economic value in the whole area and to the whole neighbourhood.”*

Others requested more information or mentioned they had difficulty obtaining information on specific crops such as commercial hemp and hops and they weren't too sure where to find this information easily.

#### **iv) Government and Other Organizations Issues**

Throughout the interviews there was discussion and frustration with the government concerning rules and regulations and an overall feeling of lack of support from the government. An exception to this feeling was the high regard for the Ministry of Agriculture, its accessibility, and information on agriculture. The concerns also included the regulations put in place by organizations such as the farmers' market and the Department of Health and Ministry of Transportation and Roads. The specific issues cited by respondents included;

- restrictions on the use of farm land and the inability to allow a residence on the land for labourers

*“The farmland restrictions, for example, fifty acres and they won't allow you to have a second residence for labourers. How can you operate a farm without help? The restrictions aren't logical.”*

- regulations for municipal and agricultural land reserve

*“ The municipal and land reserve government regulations need to be changed to reflect that you need more people to run a farm.”*

- quota system for the feather industries such as turkey
- highway signage rules for wineries and fruit stands

*“ Highway signage rules are limiting and a problem.”*

- level of taxation for rural residential and agricultural land was disliked
- need for less government intervention to allow private enterprise to “do their own thing”

*“ Government regulations can kill your dream pretty fast.”*

*“ Inspectors don’t have a clue and all they do is bug you.”*

*“ Milk boards set the price and by the time organic milk is processed the public won’t pay the price. It is too high.”*

- lack of networking between different government agencies.

#### **v) Labour and Production Problems**

For some farmers, the costs of labour were considered to be “too high” and for others, the problem lay in an inexperienced labour force. The only solution to this problem for a few of the respondents was to limit the size of the business so the owner did not have to hire outside help which diluted his overall profit. A few mentioned that the costs of production were too high, especially if the producer wanted to sell his products at the wholesale level.

*“A product like smoked trout is too labour intensive to be profitable and the packaging is also very expensive.”*

One successful organic vegetable farmer feared that the agriculture industry is losing “*the capability and the people who have the knowledge of how to farm.*” Another participant made the following comment about the lack of younger family members taking over from their parents:

*“ We are not seeing the transfer of old farms now. Young kids now won’t take the seven days a week of dedication that it takes to survive in farming.”*

A few farmers felt that in order to grow a successful agriculture business these days an individual needed a large family to help support the financial and sweat equity of a farm.

#### **vi) Miscellaneous Problems and Issues**

On a smaller scale there were a few miscellaneous problems mentioned by a few individuals and these included:

- the lack of organic eggs, straw and naturally produced meat (with the exception of pork) in the Shuswap
- the overall lack of time on the part of farmers to promote and market products, develop new ideas and explore and service new markets
- the weather changes and the extremes in weather lately have made it difficult for many of the farmers
- genetically engineered seed, pesticide and herbicides and fertilizers are a concern among some farmers
- wildlife such as bear, moose and deer have presented enormous problems for some of the fruit farmers
- for a select few producers the lack of irrigation has presented problems.

### **D. MARKETING OF AGRICULTURAL PRODUCTS**

#### **i) Types of Marketing**

As noted in the section which detailed the wishes for the future of agriculture, marketing was the area where respondents seemed to be struggling and needed the most support. A review of direct marketing options available to the farmer include; roadside stands, roadside markets, pick-your-own operations, farm gate sales, and farmers' markets. Less common approaches are basket and mail-order sales, direct sales to retail or food service outlets or restaurants, community supported agriculture or CSA (farmer contracts with customers in advance of the season to supply them with a range of products over the entire season), and agri-tourism which involves marketing the farm as an entertainment or a destination point. Selling products such as fruit and vegetables through a co-operative who, in turn, market them, is another avenue open to farmers, especially the larger ones who have the quantity required for membership into a co-operative.

#### **ii) Marketing Methods Used**

A combination of marketing methods are being used by the respondents who were interviewed and the most common methods mentioned included;

- farmers' markets
- farm gate sales
- pick-your-own operations.

Less common ways of marketing used by participants were; direct sales to retail outlets, community supported agriculture (subscription to boxes/subscriber pays in advance), wholesale sales, agri-tourism, and co-operatives. Word-of-mouth sales were also viewed as an important way to market products.

There appeared to be a marketing trend among some respondents to move away from selling their products wholesale to retail operations such as grocery stores (because of the overall lower price they receive from their produce) to selling their products directly at farmers' markets and farm gate sales.

In many cases farmers were attending three or more farmers' markets (Salmon Arm, Armstrong, Revelstoke, Vernon and Kamloops) during a week in order to sell their products. A few others were taking their produce to the East Vancouver or Mission farmers' markets weekly because they were able to sell a whole truckload of produce at one market compared to coming home with produce if they went to one of the markets in the Interior.

Farmers' markets, in general, in both Canada and the US, are experiencing rapid growth. In an article on the Internet on direct marketing, business management series (Appropriate Technology Transfer for Rural Areas), the authors confirmed the fact that there has been an explosive growth in the number of farmers' markets around the country. In the mid-seventies, there were fewer than 300 farmers' markets in the United States and in 1994 this had grown to just under 2,000. According to the US Department of Agriculture the number of farmers' markets in the US in 1999 is approaching 3,000 with \$1.5 billion in sales. The article on the internet stated that farmers' markets seem to work best for growers who have a wide variety of product to sell of the type desired by consumers.

One professional who participated in this project made the following comment about farmers' markets:

*“ I think farmers' markets are the way of the future..... there is no question about it. But they need support if they are going to be really effective.”*

The types of support this individual was referring to included:

- financial assistance for advertising from groups such as the District of Salmon Arm
- a location with adequate parking, some green space for shade and areas for people to sit and have a coffee and refreshments purchased from a vendor
- ways to attract people such as events, music, kid's attractions, etc.
- a bus from the senior's complex which came in to the farmers' market and made a morning outing out of it
- a solid structure (building which was a permanent shelter
- portable toilets with hand washing ability
- permanent signs with times and dates of operation at permanent locations
- additional and improved advertising
- other events which would be held at the same time as the market or have the market held in conjunction with special events such as the Fall Fair and the Grebe Festival
- clear rules about quality of produce and merchandise sold at the market.

This respondent felt that farmers' markets needed a paid co-ordinator who worked with the farmers.

### iii) Problems with Marketing

There was a feeling present among some of the producers that the "*wholesale market has become too competitive price-wise*" and they can no longer afford to market their products directly to retail outlets. As a result, more respondents are turning to marketing methods such as farmers' markets and farm gate sales in order to make the profit they feel they need for their products. At a farmers' market the farmer is capturing the difference in price between wholesale and retail instead of a middle man. Mention was made by several participants that they "*can't compete with local prices that Overwaitea puts their produce on for sale*" while others indicated that their businesses frequently "*have to compete with China*" and this has made it difficult for them to survive. One honey producer made the following comment:

*"The world market price is pretty well set by China and Argentina and so when the Great Canadian Wholesale Club had a sale on Chinese honey this spring I didn't sell any of my honey. It just sat on the table until I put my price down."*

*"We started out strictly wholesale, but to survive we had to market our own and market other products. The availability of labour and*

*costs of production here were too high to make it viable as a wholesale operation.”*

However, as more producers move toward marketing their products at farmers' markets there appears to be some problems selling products at smaller, local farmers' markets which are difficult to address. These are cited below in the list of problems. The main problems experienced by local farmers trying to market their products locally were:

a) The local consumer's mindset is more concerned with price than quality and they tend to buy products where they are the cheapest

*“ Most often than not they [the consumer] will not pay the extra price for quality.”*

b) Overall traffic at local farmers' markets is low and farmers do not obtain the amount of sales needed to offset the costs involved with attending the markets. For example, a producer with a wide range of produce can make four times the amount of money selling those products at a Vancouver farmers' market compared to the Salmon Arm farmers' market

*“ The sales are limited at the farmers' market [in Salmon Arm] because you can only sell so much.”*

*“I wish there were more people here to buy our product..... but we have to haul our product over the summit to get it to market.”*

c) The amount of time and effort (which translates into money) expended by each producer when they attend a farmers' market is out of proportion to the amount of profit they are able to make

*“ Unless you want to do it and love to do it the [Salmon Arm] farmers' market isn't worth doing.”*

*“ It takes two days to get ready and two days selling to equal minimum wage at most in a good year.”*

*“ The farmers' market is set up in such a way that you or someone from your family has to show up to reserve your spot. So yes, that does take up a lot of your time.”*

d) Farmers who attend the local farmers' market do not feel they obtain the support they need from the District of Salmon Arm and local residents. A building to house the farmer's market along with an appropriate location such as the wharf were suggested.

*“ There is a need to increase the volume of shoppers in order to increase sales for the farmers. City Council needs to support the farmers' market. I think that City Council would be very short sighted if they don't see what a farmers' market can do for tourism, as a local incubator for farm businesses, and for value added products.”*

e) Many respondents felt they were stretched in terms of time and energy trying to grow and market their products

*“ I am sure there are a lot of things we could be doing that I'm not doing because I don't have the time. We have been limited in our marketing because running what we have takes all the time we have. The hours are horrendous.”*

*“ I put a lot of effort into the production end of it and I never get around to putting my full energy into the marketing area.”*

*“ It's hard to do the marketing, gardening and everything else.”*

f) Government rules and regulations for licensing, especially for the wineries, and signage for fruit stands, wineries, etc. has somewhat restricted their abilities to market their products effectively. Salmon Arm's farmers' market also seemed to have rules and regulations which make it difficult for some farmers. In addition, the Department of Health also has rules and regulations at the Salmon Arm farmers' market which restricts some of the potential vendors from selling their product.

*“ Our [local winery owner] biggest problem with marketing is being able to market. The complexity of licensing and jumping through hoops with the government makes it difficult to be fully licensed and market our product.*

*“ Marketing my product in Salmon Arm is difficult because they have rules and regulations where you aren't allowed to use a one ton truck and that is the only truck I can borrow. So I go to the Revelstoke farmers' market where they do not have this rule.”*

*“ I cannot sell anything at the Salmon Arm farmers’ market unless it has a high sugar or vinegar content but I can sell it at the Revelstoke market so I do most of my business out of town.”*

*“ If we [fruit stand owner] were given fair and equal signage with restaurants, motels and tourist attractions it would help out our marketing quite a bit.”*

Several respondents mentioned their attempts at placing advertisements in local newspapers and felt that the expenditure of money did not result in responses or additional revenue. As a result of their bad experiences they were reticent to place advertisements in the future. Other producers felt they had not obtained support or even awareness of their existence from the local media and organizations such as the Chamber of Commerce and seemed disappointed and frustrated with this lack of support. One successful agri-tourism operation used to do radio advertising five times a week but has cut back to once a week now on Saturday.

*“ The least amount of support and media coverage we have been able to get is from local people. We get a great deal of interest from outside the area --columnists and writers from Toronto, Calgary and Vancouver.”*

*“ You hear so much about shop local and provide local interest but it seems to be the lowest level of activity.”*

Some of the respondents mentioned the fact that they had their own web page or are in the process of having one designed and are selling products over the internet.

*“ We have an active web site already and advertise our products with pricing on the internet.”*

However, almost all the interviewees were interested in the idea of sharing a web page with other producers because they felt that *“any type of linkage is a benefit.”*

In contrast to those who were disappointed with local support of their businesses, there were a few producers who cited a good experience after recent articles about them and their business were published in local papers. Increased sales and awareness among tourists and locals was the result of these articles.

#### **iv) Areas Where Marketing Help is Needed**

Respondents indicated a diverse range of areas where they felt they needed marketing help. Some of these areas have been extracted from the “I wishes” that participants voiced during the course of each interview and have been reported on in Section F of the report. A list of the areas where help in marketing is needed include:

- a specialized retail distribution system (outside of the mainline chains) for pork and lambs
- a web page for locally produced products that would also sell the products over the internet and provide a link to value added products in the Shuswap
- assistance and increased knowledge about marketing tools and general help in marketing products
- a directory which listed all value added processors in order to allow for networking among producers to benefit all concerned
- more information about co-operatives as a possible way to market products

*“ I didn’t like the old co-ops --they were stifling and wrong -- but there are some neat ideas out there now.”*
- a retail outlet which was collectively shared by farmers and operated in a similar fashion to a co-operative craft guild where producers pay monthly for his/her space and everyone sells their products at their own prices: the producers would not have to be present but would supply the products

*“ If farmers could collectively share a retail outlet and help each other with their products and if it were operated the same way as a co-operative craft guild where you pay monthly for your space -- a collective, co-operative type retail outlet.”*
- a mini conference on direct farm marketing and other appropriate marketing courses which were offered in the Shuswap for farmers
- help with developing a web page for products and information on the benefits of advertising products on the internet

*“ I thought of marketing our store and product on a web page but we aren’t sure how to do that or whether there is a return for that so I don’t know.”*

#### v) **New Ideas/Possible Solutions for Marketing Products**

There were many different areas of new ideas and possible solutions for marketing agricultural products that both the producers and professionals cited during the course of the interviews. The key new ideas for marketing products have been

included in the Recommendations section of the report and the “I wishes” pertaining to marketing can be viewed in Section F of the report.

The importance of marketing cannot be understated and the farmers interviewed were definitely struggling to find the time to not only educate themselves about marketing techniques but also be able to apply their marketing knowledge to their products. Those producers whom we interviewed, who seem to be successful marketers, are the ones who are also making some profit and engaging in a growing and successful farm enterprise. Examples include individuals like Roger De Mille who is successfully operating an agri-tourism type of fruit, vegetable and meat stand and Herman Bruns of Wild Flight Farm who has pioneered the community supported agriculture in this area and has over one hundred families now subscribing to his boxes of vegetables and fruit. Arie Gort of Gort’s Gouda, Donat Koller of Happy Days Goat Dairy, and Steve Bradbury of Mountain Meadow Sheep Dairy are also three other producers who have spent a great deal of time and energy on marketing their cheeses.

Several professionals we interviewed also stressed the need for farmers to have or establish a market for their product and this essential element was seen as lacking in some producers.

*“ You have to know how to sell a product before you know how to grow it.*

*“ Farming is now a lifestyle choice and the money has to made elsewhere to make that choice. There is no point in growing something that doesn’t have a market. You need to establish a market or need before supplying in regards to anything produced.”*

One Ministry of Agriculture professional felt that farmers needed to educate themselves on marketing through courses, seminars and workshops in order to gain this important skill. He also stated that marketing was even more important for producers in areas such as the Shuswap with a smaller population base compared to cities like Vancouver.

*“ Education is the way that farmers are going to learn how to market better.”*

*“ Unless you live within thirty minutes of Vancouver you don’t have a large population to market your product to and keeping production in*

*line with market demand is a skill that farmers have to develop or otherwise they throw away one-half their crops.”*

The new generation co-operatives that are popular now among certain individuals in the agriculture industry have potential for becoming successful marketing co-operatives for some farmers. In fact, there has been a spelt and herb growers new generation co-op which has formed in the past year in Armstrong and they have been using the co-op as a vehicle for purchasing expensive equipment needed to process their products. Within the focus groups and the interviews many different types of co-ops and ways of working co-operatively together were mentioned by the farmers as something they wished for in the future.

*” If there was a way for a trucking co-op which had access to cooler space and packing space I think that would be a big benefit for smaller growers.”*  
*“ I wish for more locally based seed companies. I know some families are trying to form a co-operative, a seed saving exchange.”*

## **E. VALUE ADDED FOOD PRODUCTION**

Value added processing involves taking basic farm commodities and processing them into value added consumer products. This includes a wide range of on-farm products ranging from bagged lettuce or dried tomatoes to jams, jellies or llama sweaters.

A BC study, Opportunity Analysis for Farm-Based Businesses, conducted in July, 1997, revealed that out of 262 farm operations surveyed in BC, only 12% were involved with the value added food processing industry. However, the study states that value added processing ventures are a growing sector of the agricultural economy with over one-half (63%) of the producers planning to expand their business and 57% anticipating a growth in the value added business in the future. In 1995, an estimated \$19.7 million in gross revenues was generated by value added processing activities.

The most common products offered by these farms in this study included specialty foods such as jams, vinegars and salad dressings with over one-half of the respondents producing these types of foods. Fruits and vegetables, as well as meat/poultry and fish were the next most commonly processed products. The report mentioned that the Okanagan Region produced the greatest diversity of

value added products with an offering of 12 different types of value added products.

**i) Involvement with Value-Added Food Products**

Overall, roughly one-third of all the respondents interviewed were involved with processing and selling value added food or other types of agricultural products. Examples of these products included:

- all types of jams and jellies made from fruits including wine jellies
- salsas, tomato sauces
- frozen garlic bricks and dried garlic powder
- goat and sheep cheese, yogurt and milk
- egg specialty products
- smoked fish and smoked fish pate
- frozen strawberries
- aromatherapy products made from essential oils
- medicinal herbs processed into tinctures, oils, etc.
- finished consumer fibre products such as sweaters, mitts made from alpaca and llama wool
- processed products such as candles made from beeswax
- commodities such as soap made from sheep's milk.

Most of these products were made in the kitchens of the producers with the exception of those who owned a government inspected dairy, fish or meat processing facility.

**ii) Awareness of/Reactions to the Commercial Kitchen**

There appeared to be a fairly high level of awareness of the commercial kitchen among the respondents who participated in this research project. In the focus groups about one-half of the respondents were aware of the commercial kitchen, either through articles in the local papers or word-of-mouth from other producers and friends. Among those farmers who participated in the in-depth interviews roughly one-third of them were aware of the commercial kitchen. For the few participants who had toured the kitchen they expressed favourable reactions to it and one referred to it as “*beautiful and state of the art.*”

In order to increase awareness of the commercial kitchen among producers at the end of each interview and focus groups, all respondents were given a copy of a brochure for the Shuswap Business Development Centre. In addition, respondents

at the two focus groups that were conducted at the Development Centre were given a tour of the commercial kitchen at the conclusion of the group. Each respondent was also asked if they were interested in attending a two day forum on value-added food processing that would take place in the near future and those interested put their names and phone numbers on a list.

In general, respondents reacted enthusiastically to the idea of a commercial kitchen located here in the Shuswap. Those who had read about it in the papers or heard about it from others seemed excited about the prospects of possibly using this type of facility in the future for a value-added product. The remaining producers who were unaware of the commercial kitchen were curious about who owned it, who funded it, and whether it was busy.

The overall perceptions of the kitchen and its usage included:

- livestock producers felt the kitchen would be used more for baking, canning and processing fruits, vegetables, etc. than for processing meat
- some envisioned people using it more in the winter when producers have the time to process frozen berries or other fruits
- others thought they would use it mainly for their own personal canning of jams and jellies although the need to *"haul all your stuff somewhere else"* did not appeal to most of the respondents.

### **iii) Ideas of Who Might Use the Commercial Kitchen**

There was no question among respondents and professionals who were interviewed that producers were definitely starting to look at value-added products in order to make more profit from their crops. During the course of the focus groups and in-depth interviews many of the participants expressed wishes and desires to produce value-added products and for some it was difficult to know where to start.

*"There are lots of people in the Shuswap wanting to jump on the band wagon and a value added product might be just the way to do it. If there were some open door to help them get started."*

*"Farmers can't survive without the value-added product."*

*"Producers are now looking at whether they can add value to what they are growing." (Professional)*

*“I would love to pursue the value-added end and I don’t have a facility nearby to take my products to. Things like research... I don’t even know where to get the bottles. I need that kind of information. I want to specialize more in herbs.”*

Respondents were asked who or what type of producer they thought might use the commercial kitchen and some of their ideas included the following:

- people who are just getting started in business and are testing out the market to see if they have something that would possibly sell and they don't have their own facility could use the kitchen to conduct their product development
- people who have excess fruit on their land could have people come and pick the fruit and come to the kitchen to process it or have the kitchen process it for them -- or the fruit tree owner could use the kitchen to have the fruit jammed or canned

*"If I had a whole bunch of acres of cherries, strawberries and raspberries I would have a bunch of pamphlets at the campgrounds around Salmon Arm. The people could come and pick their own berries or I would do it for them and I would have them all jammed or canned or whatever so that when they were ready to go back home they could put their box full into their vehicle and go. It's worth a try. You have to be sure there would be no lawsuit if somebody got salmonella poisoning or whatever."*

- people who have access to free fruit or have some very inexpensive products to process
- garlic growers who are interested in producing value-added garlic products

*" I have a few garlic friends in the area and we are always talking about value-added garlic products. I think the kitchen would be handy for that."*

- respondents who might presently have a federally inspected facility (e.g. dairies) but are interested in possibly making other types of products (e.g. soap) other than dairy related ones
- bakers
- sushi makers
- commercial food producers
- people who want to make essential oils and tinctures
- wineries might be interested in making products such as wine jellies or others who might be interested in producing a product that could be marketed throughout the wineries in the Okanagan

- schools, churches or youth groups who have fund-raiser projects such as apple pies, etc.
- government assisted clients who presently use Home Support or Salvation Army commercial kitchens to prepare food
- groups who prepare meals for the Meals on Wheels Program
- groups such as the mentally capable handicapped adults and Natives who were looking for employment could get together to make value-added products to sell
- a potential business interested in providing delicious entrees two or three times a week for the retirement population in the Shuswap

*"People like my parents would love to have somebody and would pay well for somebody to bring them nicely prepared entrees two or three times a week. Now that is a business and it is starting up all over the place."*

#### **iv) Respondents Who Might Use the Kitchen in the Future**

During the course of the interviews and the focus groups, participants were asked about their value-added processing needs and whether they might be interested in using the kitchen in the future. Although there were some barriers mentioned concerning the use of the kitchen (cited below in the report, Section E-- 6 v), respondents mentioned the types of products they might process at the kitchen and the processing they desired for these products.

- a cheese maker had investigated the kitchen for making cheesecakes
- several sheep producers who make sheep cheese and sheep soap from sheep's milk might be interested in exploring other products made from sheep's milk
- a garlic producer who makes frozen garlic bricks at home may need larger freezer space and might consider the kitchen for this processing
- several fruit growers who have excess fruit and are freezing extra strawberries and raspberries might be interested in processing it and selling the product to restaurants and bakeries
- a vegetable grower might be interested in processing flowerettes from whole broccoli heads and selling that as a value-added product
- a winery might use the kitchen to process wine jellies to sell at the winery
- some fruit growers would like to see a place where they could take their own fruit to press it for juice
- one professional felt it would be a good idea for someone in the Shuswap to produce a non-alcoholic apple cider and this could be processed in the kitchen if the equipment were available to press the apples

- those who preserve jams and jellies for their own personal use might be interested in using the kitchen
- a fruit stand owner might pursue the idea of innovative new products from his surplus fruit and mentioned that some fruit stands are making their own jams: dried fruits are the main product he thought of but this would require a commercial dehydrator
- another fruit grower is personally interested in wine production and the kitchen may be an appropriate place to produce wine in large quantities for home use
- an organic vegetable farm mentioned making dehydrated parsnips, beet chips and dehydrated certified organic foods for camping
- another farm is interested in pursuing the idea of using carrots, broccoli and other vegetables that don't sell at the farmers' markets and/or are partly damaged to make fresh vegetable salads
- a local aquaculture operation might be interested in a facility with a micro cut machine where he could take his smoked fish to and then bring it back to his facility for further processing.

Some respondents who are currently making value-added products in their own kitchens or facilities did not feel that they would need the commercial kitchen unless they were producing in larger quantities.

*“Unless I get big enough I won't need to use the kitchen. I have my own facility to make these products.”*

A feasibility study which was conducted for the Maryland, USA, Food Center Authority described three market segments that would potentially use the food processing incubator centre they were researching and these were: 1) specialty food processors 2) small farmers 3) caterers. According to this study, specialty food processors *“have provided one of the strongest market segments for food processing business incubators around the country.”* Individuals and businesses in this market segment fall into one of two categories: 1) they have a product - or a concept for a product but they lack the business acumen or processing knowledge to make it commercially viable and/or 2) they are successfully producing and selling a product that is prepared in an uncertified facility or that is produced in limited quantity due to a lack of marketing knowledge or processing capacity. The services that these types of people felt they needed included:

- A certified facility
- Business planning and support

- Help in understanding how to run a business and develop a concept
- Funding
- Resources for ingredients, recipes, packaging, labeling, and marketing.

The study went on to state that the market potential among farmers was among: 1) new businesses (number one item was canned produce, followed by sauces, and flavoured vinegar; 2) existing businesses (involved with baked goods, canned and dehydrated produce, flavoured vinegars and pre-cut vegetables; 3) organic farmers many of whom market directly to restaurants, caterers and consumers; 4) medicinal herb growers and processors. Value added processing seemed to be a common practice among organic farmers who were enthusiastic about processing.

#### v) **Barriers/Challenges to Using the Kitchen**

Throughout the focus groups and the in-depth interviews some of the respondents cited either some barriers/challenges to using the commercial kitchen or equipment which they would need in order to develop and process the types of products they had in mind. A list of these barriers/challenges include:

##### a) Overall Cost to Use the Kitchen

Several farmers had estimated the overall cost to produce their value-added product and if they used the kitchen and paid rent for its' use they estimated they would not make any or enough profit on this value-added product to make it worth their time and effort

*“ I find the cost of materials to make tomato sauces is very high and if you were to add rent on top of that for use of the kitchen plus advertising to get your product known you would break even and nobody wants to work for nothing.”*

*“ It is not very expensive to use the kitchen but you have to make quite a bit to make it worthwhile. There is not much freezer space there but it is beautiful and state of the art.”*

##### b) Lack of Staff to Do the Processing

Lack of staff appeared to be one of the biggest barriers to most of the producers who seemed stretched to their limit in terms of time and physical labour (such as employees or family members) trying just to grow, harvest and market their products. Again, they felt that if they had to hire someone to do the processing of the value-added products the overall profit they gained would not be worth it.

Some would prefer to put the extra produce back into the soil rather than be bothered with the logistics of adding value to it.

*“ If you are stretching yourself so thin and hiring help then you just added one more cost factor to the jar and the ingredients when it would be cheaper to just throw the tomatoes back out into the fields.”*

*“ We came on a tour through the kitchen and we got excited about the idea of doing value-added products. But when we started really thinking it through we thought, ‘who is actually going to do it?’*

*“ We are not processing, juicing anything ourselves. We are not sure of any juice processors around. We have no time to do any processing.”*

*“ I thought it was a great idea when it opened but I also thought how do you split yourself to do two things at the same time. Unless you have double or triple families on the same farm and one takes on the processing while the other handles the growing.....”*

*“When you hire someone or do it yourself you have to pay an hourly wage shown out of that because none of us like to work for free. Plus the rental of the kitchen itself chews up any profitability there is on any secondary products so it doesn’t really work.”*

*“I can’t afford to rent anything because then all my profit would be gone.”*

#### c) Lack of Specific Equipment to Process Certain Products

For some of the respondents there was a need for specific equipment they needed in order to add value to their produce. The following list is developed from the requests for equipment made by participants;

- 1) commercial dehydrators
- 2) large amounts of freezer space  
*“ We have lots of coolers but we can’t freeze it when we are heavy duty into the season. We would have to find freezers elsewhere.”*
- 3) a proofing oven and more oven space in general
- 4) an industrial garlic peeler
- 5) apple press
- 6) micro cut machine for smoked fish
- 7) a vacuum packaging machine
- 8) an emulsifier.

d) Dislike of Transporting Produce From One Place to Another

Several participants mentioned their dislike of transporting perishable produce from their farm to another location. They would prefer to have the facility close by or on their farm to avoid this transportation task or problem.

*“I have a friend who wants to make tomato juice but you have to go to the commercial kitchen and lug the product up there. You need your kitchen right here.”*

*“It would be nice if the commercial kitchen had a packaging machine but then I would have to move my product on and off the property.”*  
[ Malakwa farmer]

*“I have heard about the commercial kitchen but I am not aware of who would use it as it is easier to do it at home because you don’t have to haul all your stuff somewhere else.”*

e) Younger Producers and Consumers Are Not As Interested or Experienced in Processing and Canning as Seniors

For some of the participants the task of canning and processing is not something they have necessarily grown up and learned to do. In contrast, Seniors seemed to have more complete knowledge coupled with a desire to can and process produce.

*“Seniors famously know how to cook and they have time on their hands. Those who are able can support those who are less able.”*

f) Producers Have Their Own Federally Inspected Facility

Some of the livestock producers already had their own federally inspected facility and therefore did not need to use the commercial kitchen unless they were thinking of exploring new markets and making test products.

**vi) Ways to Develop the Value-Added Food Industry in the Shuswap**

All interviewees were asked for ideas and wishes concerning ways to develop the value-added food industry in the Shuswap. Many respondents found this question difficult to answer and the overall responses were limited: many of the wishes took the form of specific equipment producers would like to see at the commercial kitchen (see list reported on in this section). In order to make the commercial kitchen a viable entity for these producers the idea of a kitchen which offered comprehensive “start to “finish” help with processing was suggested by some

respondents. One farmer mentioned a company in Summerland, BC that had a similar operation:

*“I think in Summerland they have a company and you can go there and utilize their kitchens, buy in bulk and they did your labeling and gave you input into marketing and would process your product if you wanted them to.”*

Others confirmed this desire for processing help by making a wish for “*somebody who could be in the kitchen on a regular basis to take in the product and process it.*” An individual or group of individuals who were hired by the commercial kitchen to perform some of the tasks that producers do not necessarily have the skills for nor the time (especially in the summer) would possibly help to attract more potential users to the kitchen. The types of tasks these respondents seemed to need help with and the other kinds of assistance they need in order to process and market their products include:

- ability to buy certain ingredients (i.e. sugar, vinegar) and other items such as bottles for canning or plastic bags for packaging in bulk in order to obtain the best price possible
- research information and material on recipes for value-added products
- assistance with new product development, product testing and market development
- assistance with design, layout and printing of labels for their products
- processing of the product
- help with ways to market the product including a web page on the internet that listed all the products produced at the commercial kitchen.

A professional who was interviewed for this project suggested that seniors groups who have “*extra time on their hands*” and the necessary skills for tasks such as canning may be interested in participating and helping with some of the operations at the kitchen. Another farmer wondered whether Okanagan University College had a nutrition or cooking program where people in the program could get their practical experience at the kitchen by processing produce and thereby obtaining credit for it.

Almost all the respondents interviewed mentioned they were definitely interested in participating in a shared web site which would list and sell products produced not only at the commercial kitchen but also in the Shuswap. Quite a few of the

producers have developed their own web page or are in the process right now of having one designed for them.

In a feasibility study for a proposed food processing centre in Maryland, USA a summary of the service and facility needs of two market segments, specialty food producers and farmers, revealed that the following services were all rated as a high need:

- business coaching
- business planning
- marketing
- distribution
- pricing
- production
- regulatory compliance.

The feasibility study also evaluated fourteen similar shared-use kitchen incubators and/or shared use food processing centres around the United States. In their Overview of Lessons Learned the analysts stated the following about tenant/client services:

- The incubator should provide a comprehensive services package that includes training, technical assistance and access to capital. Food-related businesses require a greater level of technical assistance than most other types of businesses due to their need to comply with government regulation. In addition, technical assistance is needed to help many businesses adapt small recipes so that they are suitable for commercial production, and to help small producers understand product pricing and distribution for the various markets available for food-related products.
- Many facilities supported tenant associations, “cooperatives” and other flexible networks of those producing products at the kitchen to promote tenant synergy. These groups were often given their initial organizational start by the facility, but have since developed into stand-alone organizations. Benefits provided to members include shared marketing and purchasing power, shared training in both business skills and technical areas, and access to affordable group product liability insurance.

## **F. WISHES FOR THE FUTURE OF AGRICULTURE IN THE SHUSWAP**

Within each focus group and each in-depth interview respondents were asked whether they had any “I wishes” for their business or the agriculture industry overall. The wishes of the agriculturists interviewed are broken down into the following categories:

- 1) Marketing Assistance
- 2) Education
- 3) Buy Local
- 4) Government support
- 5) Co-operatives
- 6) Shared or available facilities
- 7) Experienced Labor Force
- 8) Increased Funding for Farmers
- 9) More efficient distribution systems
- 10) Production of local products
- 11) Organic support and awareness.

### **1) Marketing Assistance**

Marketing was the area in which farmers asked for the most assistance. They wished for support from the media in the form of:

- a column found in a local paper
- announcements of new farmers/ producers in the area
- a shared local web site
- a directory of all local producers.

Some farmers requested a yearly celebration or event which would give recognition to the Shuswap agriculture industry. For example, a farm festival and agriculture week for the Shuswap. (This could take place over the Armstrong and Salmon Arm Fall Fair weeks) In addition, farmers wished for more co-operation and sharing among each other in their marketing efforts.

All marketing wishes are listed below:

- I wish for " purchasing power "
- For a better response from members ( Herb Growers Association ) re: marketing
- For a web-site for smaller producers
- For help to market products
- For marketing tools to help in marketing
- I wish for a local column in the papers ( Internet ) as an introduction to growers & products (10 responses)

- I wish for a web page with links to value added products
- I wish for more media support (7)
- I wish for promotional efforts for the benefit of the agriculture industry and producers, not only here but on the mainland, to put ourselves on the map
- I wish for some help to market product
- I wish for something like Freedom Foods (UK) concept here
- I wish for stronger retail marketing laws for origins (2)
- I wish for support such as getting a place to market our product, making it easy for us to market our products. A building to market our products would be helpful for us.
- I wish for the development of some kind of directory that would have value added farm producers listed so that people could access the information and see what ideas others have in the area and how we could benefit each other.
- I wish for web page for locally produced products
- I wish it were easier to do: biggest things is they have to rectify is the marketing of the product and where to sell it
- I wish that BC Agriculture would focus more in marketing education
- I wish that there was a mini-conference for direct farm marketers which was offered in the Shuswap.
- I wish we could work together to market our products - pamphlet & mission statement
- I wish for a processor who would pay for the fruit - right now you get a bill for freight
- I wish for a farm festival and agriculture week for the Shuswap
- I wish for more farm tours

## 2) **Education**

In terms of education, the people wanted local recognition of the value and benefits of buying local produce. They expect that education will encourage and empower the public to support local farmers which in turn would boost the ability to produce and distribute in the Shuswap region. One suggestion was to create a local identity in the form of a logo or sticker which would be found on all products made locally. This would be similar to the “Buy BC” advertising promotion which is currently taking place in the province. Whenever a person sees this sticker, they would know that they are supporting a local farm. According to respondents, education about local producers and agriculture is important for all sectors of the population

including: school age children, media, the governing bodies, and the farmers themselves.

All wishes for education are listed below:

- I wish for education, " Buy Local " started in elementary school (3)
- I wish for education in the home and school..... basic economics
- I wish for education of the Canadian consumer
- I wish for a lot more research and activity in the province overall in terms of practical farming.
- I wish for a Shuswap identification for pooling resources to educate the public
- I wish for a whole lot more comprehension on the consumer's part of what it takes to grow food.
- I wish for education about these products in the home and at school.
- I wish for education with the farmers about pumpkinseeds, the whole industry, pumpkinseed oils, pumpkinseeds, pumpkinseed pills, pumpkinseed for a snack.
- I wish for more public education of Shuswap ( local ) produce and the high quality (9)
- I wish for the public to have more education about the rights of horse and rider on the roadways.
- I wish that BC Agriculture would focus more in marketing education
- I wish that local farm supply place would do the research and be able to supply the small farmer and consider them to be a serious business rather than a hobby farm
- I wish that the public in Salmon Arm were aware of the Farmer's Market.
- I wish that they give us the support through education, instead of putting the newest stamp on t.v. every twenty minutes for you to look at. Put something on about what Agriculture has done for Canada. Just to increase that level of awareness of the importance of it.
- I wish there were more understanding about what it takes to be a farmer.
- I wish they would expand the food processing analysis (similar to the study, Opportunity Analysis for Value-Added Agri-Food Processing in the Okanagan-Similkameen, June, 1999) to include the dominant agriculture rather than just the trends or fringe areas
- I wish they would reduce and simplify government regulations and educate and train inspectors
- The press & media understood farming and supply management (2)
- The soft fruit farmers would have a pamphlet and the ability to can/preserve picked fruit

- To educate the government, farmer's & public about pumpkin seed, oils and snacks
- I wish we were able to educate the public about what is available for sale in order to support local farmers and their efforts.
- I wish for public education re: benefits, high quality, perception of products

### 3) **Buy Local**

People interviewed wished for the infrastructure of Salmon Arm to be more supportive of local producers and distributors. Included in these "I wishes" are the interviewees need to be locally recognized through a common identity. This identity could be promoted by erecting a structure that promotes the farmers market. Buying local would be beneficial to both the producers and the consumers - locals could support the Shuswap growers, the profits would stay within the community and the producers wouldn't have to pay the added money to ship the products to the coast.

All I wishes for buying local are listed below:

- I wish Canadians would support Canada economically 2
- I wish " local " meant the Shuswap (7)
- I wish for a healthy economy in B.C./Salmon Arm (2)
- I wish for a Shuswap identification for pooling resources to educate the public
- I wish for more locally based seed companies. I know some families are trying to form a co-operative, a seed saving exchange.
- I wish people would buy locally.
- I wish that the Canadian consumer would purchase from the Canadian farmer - if it's a nickel cheaper and it's from Peru.
- I wish that the City of Salmon Arm would put up a permanent structure or shelter of some sort to promote the Farmer's Market.
- I wish that the public in Salmon Arm were aware of the Farmer's Market.
- I wish that there was a stronger belief in small communities and that all systems which needed to be supported were supported in order to keep the communities sustainable.
- I wish that there were more market gardens here in the Shuswap.
- I wish that there were more people here to buy our product. But the thing is that we have to haul our product over the summit to get it to market.
- I wish that workers in the cold beer and wine shops should be pro-active in promoting local wines.
- I wish we could eat all our stuff grown from this region

- I wish the product went out at a competitive market price
- I wish the Canadian consumer would purchase from local Canadian farmers (4)
- I wish there was a larger more immediate market base
- I wish to be "introduced" to the community
- I wish we could buy frozen product in the winter & to know where to buy it
- I wish we were able to educate the public about what is available for sale in order to support local farmers and their efforts.
- I wish to get local support issues solved and try to get info out to local people

#### **4) Government Support**

People wished for an increase in government support of small farmers and agriculturists and a decrease in regulations which restrict the ability of farmers to make a decent living.

I wishes for Government Support are listed below:

- I wish for locals to take care of fruit trees... a by-law to be enforced
- I wish for more willingness & support from the government to guarantee income per acre in the first year
- I wish again the bureaucrats in Victoria could spend a day in our shoes and then understand the problems.
- I wish for deregulation, get rid of quota, put a more accessible quality system in place
- I wish for them to be very careful what they do with the ALR. All prime land in this area it is great for residential.. because it is so expensive, difficult for agriculturists to make a living off this small piece of land using traditional uses.
- I wish that BC Agriculture would focus more in marketing education
- I wish that government rules and regulations were not counter-productive.
- I wish that the government would get out of our faces a bit more and let private enterprise do their thing.
- I wish that the government gives small business encouragement instead of restrictions.
- I wish that they would simplify the legal procedures involved in Wineries. Send beauracrats to Europe for a holiday to visit 'civilized' way of dealing with wineries
- I wish the bodies out there (government) would help the farmer be successful. They need to become more involved to keep the people in the country.
- I wish the government was more honest..... in regards to labeling.

- I wish the regional district would come to value agricultural land as much as it does the development potential of the land.
- I wish they would reduce and simplify government regulations and educate and train inspectors
- I wish the government would give us support through TV, etc. to increase the level of awareness how agriculture supports Canada

## 5) Cooperatives

Realizing the benefit of working cooperatively and noticing the lack of a pooled effort, farmers wished for the formation of a system that would support all participants involved.

All I wishes for cooperatives are listed below:

- I wish for a co-operative or a value-added business.
- I wish for a get together of producers but in the winter time when we are not so busy.
- I wish for a more of a co-operative attitude between farmers
- I wish for more locally based seed companies. I know some families are trying to form a co-operative, a seed saving exchange.
- I wish for some real organization for people ( for people to sell, market, get mentored)
- I wish for more farmer to farmer communication.
- I wish I could talk to other garlic growers so that I could have access to a garlic peeler so that we can peel the cloves quickly and efficiently. So that we can really manufacture value added products.
- I wish for a BC distributor for herbs
- I wish for a local delivery system to take vegetables to market so we could be on the land more.
- I wish for a local trucking firm or somebody with a reefer that could help us get into local stores so all the shipping didn't have to be done the same day.
- I wish for a retail distribution system (outside of the mainline chains) for pork and lambs
- I wish for a trucking co-operative which had access to cooler space and parking space. I think that would be a big benefit for smaller growers.
- I wish for producers of lamb to be a little more willing to take the risk of a retail distribution system
- I wish we had this distribution system that was made up with a pool of local producers

## **6) Shared or Available Facilities**

Interviewees mentioned a number of different machines and facilities that would assist them in the production and distribution of their goods.

All I wishes for shared or available facilities are listed below:

- I wish for a central market & someone to do the processing
- I wish for a commercial dehydrator
- I wish for a micro cut machine for my smoked fish
- I wish for a mobile wagon with hooper/spinners they can move around from orchard to orchard - 45 gallon juice in one hour - come to your site
- I wish for a packaging machine (vacuum pack machine) and an emulsifier machine
- I wish for local freezing ability to product frozen certified organic produce
- I wish for some place with an industrial drying facility for herbs, fruit and hops
- I wish there was some place where you could take your own fruit to press it
- I wish we had ability to freeze, chop and store fruit here
- I wish to buy frozen product in the winter & to know where to buy it
- I wish for a " new-style co-op "

## **7) Money/Funding**

Farmers hoped for more funding to assist in the establishment or maintenance of their crops.

All I wishes for money/funding are listed below:

- I wish for more economical processing
- I wish for a program to help pay for irrigation because irrigation is a problem I have.
- I wish for funding to develop the processing, as needed
- I wish for the First Nations to be able to access finances for capital. Many lack equipment and the capital to finance it in order to develop their properties.
- I wish that I could afford to put a greenhouse to put baby seedlings in early spring so I could make a profit on vegetables.
- I wish that the cash flow was better for farmers. The first 6 months are difficult because there is no income and then there is no income for the winter months.
- I wish we had a larger family to invest in business
- I wish the product went out at a competitive market price
- I wish there was money generated from the products grown in the Shuswap

## **8) Shuswap-made Products**

Farmers mentioned some products they would like to see grown/produced in the Shuswap

All I wishes for Shuswap-made products are listed below:

- I wish for sweet birch which I now buy from a wholesaler
- I wish someone supplied complete kits for gardening for the balcony crowd
- I wish that hemp binder twine would come back into use because I hate plastic binder twine because it is not biodegradable
- I wish to be able to produce the highest quality essential oils here in Salmon Arm - e.g. lavender
- I wish to see drinks-raspberry syrup diluted one to ten; carrot or tea
- I wish to see more hops being grown
- I wish for an organic beef producer
- I wish for certified organic eggs in this area

## **9) Organic Awareness and support**

Interviewees requested more public awareness of organic goods.

All I wishes for organic awareness and support are listed below:

- I wish for a public awareness or education plan for the public so they realize the value of organic food
- I wish for an organic beef producer
- I wish for certified organic eggs in this area
- I wish for more credibility, standardization and consistency among organic producers
- I wish for one organization for certification for organic

## **10) Waste/Recycling**

Interviewees included wishes for more efficient use and re-use of non-recyclable products.

All I wishes for waste/recycling are listed below:

- I wish for a waste composting plant that involves the transportation to it
- I wish for recycling for milk jugs
- I wish that hemp binder twine would come back into use because I hate plastic binder twine because it is not biodegradable

- I wish there were creative, cost-effective solutions regarding waste, especially plastic

## **11) Miscellaneous**

Comments that were not classified under one specific title are included below:

All miscellaneous wishes are listed below:

- I wish for more enthusiasm
- I wish for the producer to have more control over the end product = profit
- I wish for an actual industry for Salmon Arm that doesn't pollute and is good for the Shuswap
- I wish for more honesty about products
- I wish for Salmon Arm and the area to have a weekend day for the Farmer's Market
- I wish I could buy farm gas other than in bulk in the Shuswap.
- I wish I could complete my vision of how much I can diversify on one acre.
- I wish I could find a way to support myself through my aroma therapy products.
- I wish the Farmer's Market was on Saturday when people aren't working.
- I wish there was a benefit to people with small acreage's in the area
- I wish to have a market where I sell everything on my table in one day.
- I wish we had a value-added meat market here at De Milles
- I wish for a processor who would pay for the fruit - right now you get a bill for freight (could this be tied into a cooperative marketing plan? -)

## **G. SUGGESTED AGRICULTURAL PRODUCTS AND SERVICES**

Suggested agricultural products and services for the Shuswap were mentioned throughout the interviews and the focus groups. Some of the products were developed as a result of a discussion on unutilized waste products and others were generated as part of the "I wishes."

The following tables outline both the suggested agricultural products and the suggested agricultural services which were developed in this research project.













## **H. PERSPECTIVES ON THE ORGANIC AGRICULTURE INDUSTRY**

### **i) Background Information**

There is currently only one dairy farmer in Grand Forks, BC who is producing and selling locally organic cow's milk and processed milk products such as yogurt. Many of the farmers interviewed recognize this niche market but mention a number of barriers to the production and distribution of organic products.

The Milk Board's current regulations and consequent expenses to set up an organic dairy are restrictive to farmers interested in producing organic products. The regulations state that an organic milk farmer must get .30 per litre more for organic milk (equaling a cost of approximately .85 cents per litre to the consumer) and although this would help to finance an organic operation for the farmer, some felt that this is not an acceptable price for the consumer. Some comments surrounding this price barrier for milk and other organic products are:

*"There is an awful lot of people who would like to buy organic veggies but feel the price too high."*

*"Organic food is for the rich people and for the privileged."*

*"I think the tourists appreciate good produce, but I don't think they are willing to pay the price for organic produce."*

*"People want organic produce at the non-organic price."*

Farmers interested in becoming certified organic are additionally limited by the consumer who is not willing to support the transitional products (products grown in the two years it takes to become fully certified as organic; although organic practices are applied to the land for these two years, the products are considered 'transitional' and not 100% organic). If there was more education and more demand for transitional produce/milk or unsprayed produce, farmers may be encouraged to convert their land to organic.

### **ii) City versus Country**

The demand for organic produce is considerably higher in the cities than it is locally or in rural communities. This could be attributed to the fact that many rural folk believe they know where their locally bought produce comes from and therefore do not seek out organic produce. On the contrary, city dwellers are more concerned about the consumption of pesticided and chemically grown foods. Perhaps this is due to a possible increased awareness of the derogatory effects of non-organic practices among city dwellers and also because they are not exposed to as many fresh vegetables as those in the country. In the city, people generally do not know whether or not the products they are buying are imported or if they have been grown in BC. As one local organic farmer noted, there are more people asking for organic now than in the past, *"but it is not as developed as places such as Vancouver where there is higher demand and the differential of prices can be more significant."*

### **iii) Small local market**

Although, as one farmer said, *"there is more demand for organic produce now than a few years ago,"* there is difficulty in finding a local market large enough to support organic milk products. In support of this fact, one interviewee said, *"To finance an investment like a processing plant, you need a certain amount of sales and they simply are not here."* Another farmer added that, *"it is not easy to produce organic products in the dairy business and market them. People don't realize how much work is involved."*

### **iv) Ambiguous Organic Labelling**

Another drawback farmers noted is that there is a startling lack of honesty surrounding the word 'Organic' as found on labels of foods. One farmer said:

*"There have been controls set in place to protect society and yet people don't really trust those controls. Anybody can walk in with a product and call it organic and there is no questions asked and it could be the most hazardous product on the market yet no questions will be asked because it is called organic."*

On a similar vein, one respondent said, *"The problem is there is no credibility and no consistency among the people who are doing organic."* Because a farm can choose the organization they wish to be certified through, there isn't one governing body that the public can rely on and trust. In fact, an interviewee said

there is one agency in Oregon (TILTH) that will re-certify a farm over the phone. One proposed solution to this dilemma is for the public to be educated on what organic means via a newspaper column.

A local sheep farmer offered a suggestion for combining an organic produce farm with an organic dairy. In this way, he offered, the by-products of the vegetable crop could be fed to lambs and dry ewes who could then in turn offer manure which would produce better land quality.

#### **v) Certification Process/Expense**

For many farmers, the price and hassle/time spent getting their land certified is the largest barrier to becoming organic. One grower pointed out that with the high price of joining an organic society, he cannot expect to make any money in profits - so he chooses to not go the route of certifying. In terms of not having the time or inclination to prove her organic certification, another farmer said:

*"I'm so busy doing my own thing right now, I do grow organically, but I don't have the time right now to go through the bureaucratic process to become organically certified. I believe in organic gardening and my word should be enough. I'm not sure that I want to go through mini- bureaucracies when I don't have the time to do it. I hope that it won't create stumbling blocks in the future for organic farmers who aren't certified."*

According to Pam Irvine, the author of Alive magazine's article entitled "Organic Farming: Getting Started" the expensive cost of obtaining an international certification for the grower/[farmer] interested in exporting organic goods is restrictive.

#### **vi) Organic Mentorship Program**

One local organic farmer introduced a concept for an organic conversion service that is currently being offered in England. This service is used to facilitate people who are interested in converting their land to organic. As people usually have many questions but cannot afford a consultant, this service is in place to provide potential organic farmers with a local community member (representative of the Organic Program) who will visit the farm and spend two free hours of consulting time. In his efforts to establish this Organic Mentorship Program in BC, this local farmer is in discussion with the government about ways to promote and develop it. In addition, materials and a contact list are being developed.

## **I. REACTIONS TO THREE CONCEPT STATEMENTS**

Respondents were shown one to three concept statements and reactions were obtained. These concepts (see Appendix) were extracted from the “*Opportunity Analysis for Value Added Agri-Food Processing in the Okanagan- Similkameen*” report, June, 1999. The three concepts were:

- 1) Novel, non-alcoholic beverages
- 2) An extraction facility for botanicals, fruit, ginseng, grape seed and whey products
- 3) Organic processed milk products such as milk, cheese, ice cream and yogurt.

The following three tables summarize the overall reactions to the concepts, their strengths/opportunities/ideas and their challenges.







## **J. EXPLORATION OF HERBAL/MEDICINAL PLANT GROWTH POTENTIAL**

The herbal/medicinal industry is growing at around twenty-five percent a year but many other areas of the world are striving to enter the market. Our high land costs and small acreages mean we can't compete except as a niche market, with small certified organic holdings.

*“The two go hand in hand: if you want to heal yourself with herbs, you want them grown organically.”*

Within the interviews conducted, it was found that growers of medicinal and herbal products in the Shuswap are few and far between. Although as many as eighty certified organic farms exist in the North Okanagan, only a few who are growing herbal and medicinal plants have been identified in the Shuswap - mainly on the fringe areas such as Grindrod, Enderby and Mara. An additional unknown is who and how many people are practicing wildcrafting (as an alternate method of harvesting), what is being gathered, and in what locations.

Overall, Shuswap farmers have a limited awareness and interest in the pursuit of growing herbal and medicinal plants. This stance could be due to the known volatility of the herbal/medicinal market, i.e.. as noted in the ginseng craze, for example.

### **i) Cultivated Herbs/Medicinal Plants in the Shuswap**

The most commonly known cultivated crops in the area are ginseng and echinecea. Other plants known to be currently grown under cultivation are:

- valerian
- St. John's Wort
- garlic
- culinary herbs
- mugwort
- melissa
- horehound
- wormwood
- shepherd's purse
- goldenseal

**ii) Wildcrafted Herbs/Medicinal Plants in the Shuswap**

In addition to the cultivated herbs, a number of people are wildcrafting. According to one local professional, the known wildcrafted plants are:

- yew bark
- false box
- pine mushrooms
- morel mushrooms
- balsam and pine fir boughs
- St. John's Wort
- cascara
- Oregon grape - berries and root
- chokecherries - fruit and bark
- huckleberries
- wild berries
- wild raspberries
- Devil's club
- lady slipper

**iii) Obstacles involved in the herbal/medicinal plant industry**

Local growers and professionals cited the following four reasons for farmers to be hesitant about growing herbs and/or medicinal plants:

a) Growers need more marketing assistance.

According to one professional, marketing is the largest obstacle for farmers to get their product sold. She commented that *"for people getting into this, it is more important to have a marketing background than it is to have an agricultural background, as they have got to know how to sell it before they know how to grow it."*

One noted professional stated that:

*“It is unrealistic to have a buyer before you grow it. It doesn’t happen. What does happen is that once you develop a relationship it is possible that the company will come to you and ask if you are interested in growing other types of herbs or crops.”*

In one newsletter of the BC Herb Growers Association, a local authority and columnist warns the interested, yet naive grower to thoroughly research the market before embarking on a growing venture. She notes that many people grow on a whim, believing that theirs is the money making crop, without being fully informed of the competition.

b) Changing market trends.

Although a number of farmers interviewed felt that the herbal market is a big growth market with limitless potential, most are uninformed of the rapidly changing demands of the market. Fortunately, the BC Herb Growers Association is attempting to tackle this problem by providing interested growers with the information they need.

Professionals who have more of a bird’s eye view of the herbal market and industry, question the viability of the herbal/medicinal product as markets are quickly being saturated once they are identified. One professional commented that what many growers don't seem to know is that the *“people who are more successful are the ones who are doing the oddball [herbs] that are off the mainstream - things that you don't see that aren't exciting such as sheep sorrel, plantain, or dandelion root.”*

c) Competition

Competing markets greatly affect the viability of growing a crop. As one farmer said, *“as soon as it becomes a commodity, we will be out of the picture. There are larger farms in the U.S. that can do it cheaper.”* It is easy for a farmer to become discouraged by the changing demand for a crop. Growers want a crop that has a long term growth potential. When asked about his knowledge of what is

being grown in the area, one farmer said, *"I hear of people who are thinking about this or that. Generally their enthusiasm lasts a year or two and they run into unexpected climate or market problems and drop it."*

d) Value added is an additional expense

Another reason cited by farmers about their reluctance to rely on herbs as a main cash crop is that value-added products require expensive equipment. Herb and medicinal plant growers who are unable to find buyers for fresh or dried product are turning to value-added goods such as extracts and oils. Since the equipment needed to process these plants (such as extractor, distillers, etc.) is not available locally, this increases the price to the growers. One local farmer commented that it is *"more difficult to develop your own line of herb extracts because the market is demanding standardization and [this requires] expensive things to verify that you have active ingredients in your tincture."*

Al Oliver, a professional with the Ministry of Agriculture, BC, is also working on a directory of nutraceuticals, growers, processors and all those involved with the industry.

#### **iv) Wildcrafting as an alternate harvesting method**

Wildcrafting as a method of harvesting is being practiced in the Shuswap. According to the BC Agroforestry specialist, *"wildcrafting is unfocused, lacks regulation and is effectively 'stolen' off crown land. There are no permits issued and the industry is wide open. There needs to be a sensible management system put in place."* This especially is the case where the First Nations are concerned as the practice of wildcrafting encourages people to harvest on band lands. He said:

*"The industry can have a negative impact and there are negative attitudes about wildcrafting. The products are worth very little and the harvesters probably lose more than they can make. They make poor money, approximated at eight dollars an hour and have a tiny market in which to sell their product. A marketing co-op for wild crafts and value added products would be ideal but it is very important that it be done in the community where wildcrafting is practiced."*

One wildcrafter, who was frustrated with the current system of using a broker, said, *"It currently takes a broker and they tend to pay little. They need to have a co-op or partners so they can make a profit."* However, a professional who tried to help form a co-operative said that the medicinal growers were too independent and *"it*

*didn't go anywhere" but the same professional did suggest a garlic co-operative would be "a good idea and a good opportunity."*

There are also ecological issues which are a factor. Oregon Grape, for example, has a slow growth rate so harvesting the root could create a potential problem.

*"Unfortunately, Devil's Club, a member of the ginseng family is in real danger of extinction because it is tied to old growth ecosystems and thus has a limited habitat." (Dr. Allison McCutcheon, Complementary medicine, Vancouver General Hospital)*

#### **v) Culinary Herbs**

Although this was not included in the discussion about herbal and medicinal plants one professional who was interviewed felt that there were definite niche markets in this area. She also stated that some culinary herbs (such as basil) grow well in the Shuswap due to the heat and sun for long period throughout the summer. For instance, purple basil was in great demand this year in Vernon. One of the markets for these culinary herbs are the restaurants. Other possible markets include schools and the commercial kitchen.

*"If there is not someone in the Shuswap growing culinary herbs then they could find a market with the restaurants."*

She was aware of an oregano grower in Nelson who is able to sell everything he produces to an Italian delicatessen in Nelson. Others are producing flavoured vinegars and other value added products and seem to be successful in their ventures. This particular professional felt that there was a need for a BC distributor for herbs. The concept of a medicinal, herbal co-operative had been tried but was difficult to implement because of the independent nature of the growers.

*"We tried to do something with a medicinal herb co-op but the growers are all too independent and weird so it didn't go anywhere."*

She stated that a co-op would be a more appropriate idea for growers of single crops such as garlic.

One other herb which was felt to have some potential was sage not only for medicinal and culinary uses but also for the Natives who use it extensively in sage sticks for ceremonial and other occasions.

One local grower stated that she has sold everything she produced at the market and is considering increasing her planting next year to meet the demand.

**vi) Agroforestry**

Agroforestry is defined as the simultaneous management of trees and another crop on the same land base-agriculture and forestry working together. Both the trees and the crops being harvested are managed in a manner that is environmentally sound, sustainable, economically profitable and socially acceptable.

There appears to be opportunities in more intensive management and various intensities of farm cultivation of these crops from simple cultural enhancement where the plants grow in the forest to full farm field production. It is suited to growing medicinal crops, floral greens and ferns for fiddle heads. There are also opportunities in value-added processing, particularly some of the food products.

(from Non-Forest Timber Products Workshop, Alert Bay, B.C. April 1998 )

For the farmer who has a small land holding with a woodlot or livestock, and wants to maximize his land usage, a manual has been just been produced to lead the producer through all the steps needed to become successful. The Ministry of Agriculture also has a workshop planned for the Shuswap in the early Spring where those people who are interested can learn about agroforestry from the two day event and the manual. No further information is available on this workshop at the time of printing this report.

Wood residues have previously been looked at as a waste problem rather than as a product that could be used on the land. One of the keys to creating new uses for these materials is developing an awareness of the scope of the resource. As a largely untapped resource, people are unaware that wood residue can be used as an agricultural substitute for soil amendments e.g. wood ash as a substitute for lime, and wood chips, fines and strands for substitution for bedding for livestock or wood fines as a base for compost which uses poultry manure as a nitrogen source.

**K. REACTIONS TO THE AGRI-TOURISM INDUSTRY IN THE SHUSWAP**

**i) Agri-Tourism Industry in the Shuswap**

The agri-tourism brochure, Country Roads of the Shuswap, developed by local producers was shown to the respondents. Many people had not seen the brochure but had heard of it.

*"The agri-tourism brochure is a real positive step forward to develop other areas of the Shuswap and we should encourage that. I can see this growing over the next few years."*

Tourists are interested in seeing different farming endeavors, as evidenced by the success of Gort's Gouda Cheese Farm. Currently in our survey one-third of the farms were involved with agri-tourism in the Shuswap. There were also a few interested in developing the concept. As one professional noted, *"food is cheap. What they are selling is the experience."*

Overall, retail farms (farms who sell their products through direct farm marketing) have increased in number and the opportunity to market directly to the consumer is available through agri-tourism. Sales of processed products have increased thirty percent as consumers are looking for new farm products and they are not afraid to pay for them. The image that is projected is important and the packaging is critical. De Mille's is an example of a successful agri-tourism business where they offer fresh baked goods, a petting zoo, and local produce, in a country farm-like atmosphere.

Agri-tourism as an industry for the Shuswap was discussed among the growers and professionals in this study and nearly all interviewed felt that it has great potential. One felt that agri-tourism was a good idea for the Shuswap, *"especially with the diversity reflected in each community and between each business."* One respondent considered that this could be a very big part of the local economy. A few expressed interest in providing support to other businesses to cross-promote other agri-tourism businesses in the area.

Part of the lure of agri-tourism attractions is the opportunity for outsiders, such as urbanites or Europeans, to have an 'experience' of life as it occurs on a farm. The Shuswap, as one farmer noted has *"recognition and tourists -- things grow well here."*

*"There are so many people who have no concept of farms or how things grow. So visiting a farm would be interesting. "*

Once people are on the farm, they can get further acquainted with the local practices and products. This is one effective way to educate and raise the awareness of tourists and locals alike. One farmer said,

*"The farm tourism thing is going to pay off because we then have the people at the farm and we can say..... this is what we do, and this is why our stuff tastes so much better than what you get at Overwaitea."*

Some farmers, while recognizing the potential benefits of offering agri-tourism on their farm, gave various reasons why they are not interested in promoting public visits and value-added products/services. One of the main reasons given for not pursuing agri-tourism was the farmer's lack of time, energy or interest in offering tours.

*" I don't have the time to stop and talk to the public."*

*" I am not sure if I have the energy to do it."*

*" It takes people power and it depends on how crazy, busy it is."*

*" We don't want people in [to pick]. It is too much of a nuisance."*

*" We are farmers, so we aren't interested in offering tours."*

Others felt their location or their facilities were not appropriate for agri-tourism.

*" Location is not the best, so signage and advertising are problems."*

*" Not set up to deal with people coming to the farm"*

Some who were thinking about offering agri-tourism were concerned at the time it would take time required to prepare for it.

*" Not ready to do it yet"*

Government regulations regarding certification as a disease free facility also limits agri-tourism among some farmers.